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C O N F I D E N T I A L SECTION 01 OF 02 BUCHAREST 000809

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TAGS: PGOV SOCI KCOR RO

SUBJECT: ROMANIA ELECTIONS: BASESCU GETS THE BEST OF THE

DEBATE, BUT IS IT TOO LITTLE TO LATE?

REF: BUCHAREST 808 AND PREVIOUS.

Classified By: DCM Jeri Guthrie-Corn, reasons 1.4(b)&(d)

- 11. (C) SUMMARY. Just three days before the December 6 Presidential runoff incumbent President Traian Basescu and Social Democratic Party (PSD) chairman Mircea Geoana met for their one and only televised debate before the second round of elections. Basescu is generally considered to have gotten the better of Geoana and the challenger was clearly hurt by the revelation of a secret meeting with media mogul Sorin Ovidiu Vantu the night before the debate. However, it is unclear whether enough time remains for Basescu to overcome Geoana's apparent lead and win a second term. END SUMMARY.
- $\P 2$. (SBU) Neither candidate made any major new policy proposals in their last opportunity to personally confront one another, preferring instead to burnish their own strengths while attacking their rival's weaknesses. Geoana focused on Basescu's abrasive personality and uncompromising politics as a source of divisiveness and ineffective governance. He promised a more collaborative approach, engaging the opposition, letting the Prime Minister make decisions, and allowing the judiciary to manage itself. Basescu hammered Geoana for saying he would appoint anti-reformist (and apparently unqualified) judge Lidia Barbulescu as Supreme Court Chief Justice in order to let the judiciary "elect its own representatives." Basescu unequivocally rejected Barbulescu's nomination and stressed that the President should be responsible, uncompromising, and uncontrolled by interest groups and oligarchs. He characterized Geoana's proposed leadership style as easy to manipulate and "a continuous vacation in office." 13. (SBU) Geoana continued to attack Basescu,s confrontational personality, defending his early 2009 visits to Moscow, which until recently he had denied having taken, as designed to mend fences broken by Basescu,s unnecessary "cockiness" in dealing with Russia. Geoana said Romania could not rely on its relations with the U.S. alone and had to develop a good relationship with its neighbors to the East. Basescu rejected the contention that a more pragmatic approach was needed and pointed to Romania's strong partnership with the U.S., the presence of the military bases, and American investments. He also attempted to turn the tables on Geoana's Russian approach by pointing out that a Romanian pipeline services firm had secured a major construction project from Russian giant Gazprom in part as a result of Basescu's balanced but firm approach to Moscow. In response to Geoana' complaint that Basescu had not yet taken up the Russian invitation to visit Moscow, he asserted that "economic partnerships are more consequential than one-on-one meetings between leaders.' Game Changer?
- 14. (SBU) Basescu's moment of clear advantage came when the candidates were allowed to ask each other direct questions. He immediately raised the suddenly accelerating problem of Sorin Ovidiu Vantu, the media mogul who has been associated closely with Geoana during this campaign. Basescu forced

Geoana to admit to having met with Vantu the evening before, when that same morning it had become public that the oligarch's former right-hand man Nicolae Popa was arrested on an Interpol fugitive warrant in Jakarta. Geoana was forced to admit not only to this meeting but also to other past meetings that he had previously denied. Basescu inquired whether Vantu had hastily "summoned" Geoana to his villa to prepare for the public revelation of Popa's arrest. 15. (SBU) Popa is the Romanian equivalent of Bernie Madoff. He was the manager of several Vantu companies linked into a large-scale pyramid scheme that collapsed in 2000, leaving several hundred thousand Romanians defrauded of their savings. Popa, who fled the country in 1998, was allegedly responsible for up to USD 1.6 billion in financial losses. Arrest warrants were issues in 2002 and he was convicted in absentia in 2006 to 15 years in jail. When Basescu asked whether Geoana had discussed Popa's case with Vantu, Geoana not only denied the conversation but claimed never even to have heard of Popa. Post-debate TV commentators were incredulous at the idea Geoana would not know Popa's name, and at least one report the next day pointed out that Popa's passport had been extended by the Romanian Embassy in Jakarta, when Popa was already in Indonesia and Geoana was Foreign Minister. In a post-debate talk show on his own Realitatia TV station, Vantu called in to explain that he and Geoana had been friends for four years, but had chosen not to publicize their relationship. 15. (C) COMMENT. Geoana only agreed to one debate prior to the December 6 runoff, and the pressure was on Basescu to

15. (C) COMMENT. Geoana only agreed to one debate prior to the December 6 runoff, and the pressure was on Basescu to score points and shift the momentum that had given Geoana a clear lead in the polls. It became obvious why Geoana had been wary of face-to-face debating as off balance while

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Basescu managed to look presidential yet still attack his opponent. Basescu appeared better prepared than Geoana, who seemed happy to just hold his own by repeatedly criticizing Basescu,s divisive nature. Basescu seems to have performed better in debate, and Geoana's connections to Vantu and Popa may yet be the game changer Basescu was looking for to pull off another last-minute comeback. Nevertheless, with only two days before the runoff it is unclear whether Basescu has done enough to remain in the Presidential Palace. END COMMENT.

GITENSTEIN